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I.R.A. DOCKET ROOM

April 25, 2003

Ron Jones, Director Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, Tennessee 37243

Re:

In Re: Generic Docket Addressing Rural Universal Service

Docket No. 00-00523

Dear Director Jones:

Upon review of the Comments of AT&T Communications of the South Central States, LLC which have been filed today in the above-referenced docket, MCImetro Access Transmission Services, LLC and Brooks Fiber Communications of Tennessee, Inc., collectively referred to as "MCI", join in those Comments.

Thank you for your assistance in this matter.

Very truly yours,

BOULT, CUMMINGS, CONNERS & BERRY, PLC

Jon E. Hastings

JEH/th

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been forwarded via U.S. mail, postage prepaid, to the following on this the 25th day of April, 2003.

Russ Minton, Esquire Citizens Communications 3 High Ridge Park Stamford, CT 06905

Mr. David Espinoza Millington Telephone Company 4880 Navy Road Millingon, TN 38053

Henry Walker, Esquire Boult Cummings, et al. 414 Union Street Suite 1600 Nashville, TN 37219

Dan Elrod, Esquire Miller & Martin 150 4th Avenue, #1200 Nashville, TN 37219

Donald L. Scholes, Esquire Branstetter, Kilgore, et al. 227 Second Avenue North Nashville, TN 37219

James R. Kelley, Esquire Neal & Harwell, PLC 2000 First Union Tower 150 4th Avenue North Nashville, TN 37219

Guy M. Hicks Joelle Phillips BellSouth Telecommunications, Inc. 333 Commerce St., Suite 2101 Nashville, TN 37201 Charles B. Welch, Esquire Farris, Mathews, et al. 618 Church Street, #300 Nashville, TN 37219

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James Wright, Esquire United Telephone – Southeast 14111 Capitol Blvd. Wake Forest, NC 27587

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Jon E. Hastings

864897 v1 010183-000 4/25/2003

BEFORE THE TENNESSEE REGULATORY AUTHORITY NASHVILLE, TENNESSEE

April 25, 2003

IN RE:		
GENERIC DOCKET)	
ADDRESSING)	DOCKET NO. 00 00500
RURAL UNIVERSAL SERVICE)	DOCKET NO. 00-00523
)	

COMMENTS OF AT&T COMMUNICATIONS OF THE SOUTH CENTRAL STATES, LLC

Pursuant to the oral order of Hearing Officer Ron Jones at the April 22, 2003, status conference in this case, AT&T Communications of the South Central States LLC ("AT&T") hereby files the following comments in response to the Petition for Emergency Relief filed April 3, 2003, by the Tennessee Rural Independent Coalition (the "RLECs)" and the April 15, 2003, Response of BellSouth Telecommunications, Inc. ("BellSouth").

The current dispute between BellSouth and the RLECs originated with BellSouth's announcement that it no longer intends to compensate the RLECs for terminating calls which originate from Commercial Mobile Radio Service ("CMRS") providers. BellSouth argues that any such compensation must be paid directly by the wireless carriers using billing information provided to the RLECs by BellSouth. In response, the RLECs have filed a "Request for a Standstill Order" asking that the Authority direct BellSouth to continue making such payments pending the adoption and approval of interconnection agreements between the RLECs and CMRS providers. Similar disputes have arisen between BellSouth and rural incumbents in Georgia, North Carolina, Kentucky and Mississippi.

864737 v1 010183-000 4/25/2003 As currently framed, the issues before the Hearing Officer are (1) whether BellSouth must continue making payments to the RLECs to terminate local calls originating from CMRS providers (2) what rates, if any, should the RLECs charge for the termination of such traffic; and (3) what is the appropriate mechanism for the RLECs and CMRS providers to arrive at an interconnection arrangement. The relief sought will directly affect BellSouth, the RLECs, and all CMRS providers operating in Tennessee, whom BellSouth has requested be made parties to this proceeding. While AT&T is not directly affected by how the parties agree to handle CMRS traffic, the issues described above also arise regarding the handling of calls originated by CLECs and terminated by an RLEC.

Based on developments in other states, it appears that BellSouth and the RLECs may be able to settle this matter. In an Order issued April 23, 2003, the Kentucky Public Service Commission stayed all proceedings for ninety days based on the representations of BellSouth and the RLECs that they believe they can reach a settlement regarding the handling of CMRS traffic. A copy of the Order is attached. The Commission directed that any settlement agreement must be presented to the Commission "for its approval and for comment by intervenors in this case." Kentucky Order at 1 AT&T supports a similar approach in Tennessee.

This case has been placed on an aggressive schedule because of the RLECs' request for emergency, injunctive relief. Given the importance of the issues, however, and the availability of an adequate remedy at law to the RLECs, this does not seem an appropriate case for granting injunctive relief. Although styled as a request for a "Standstill Order," the RLECs Motion is no different than a petition for a stay and should be considered in light of the criteria set forth in TRA Rule 1220-1-2-19. One such criterion is "the hardship or injury which may be imposed on the petitioner if a stay is not granted." There is no evidence or argument presented in the RLECs motion to indicate that the RLECs will suffer irreparable harm if their request for a stay is

denied. If the TRA later determines that BellSouth has breached the terms of its contract with the RLECs, the TRA will presumably order BellSouth to pay all outstanding termination charges. Thus, the RLECs cannot claim they will suffer any irreparable injury if the injunction request is denied.

Because of the region-wide implications for this case, the lack of a need for an accelerated procedural schedule, and the importance of ensuring that all necessary parties are present and able to set forth their positions in full, AT&T suggests that a more comprehensive approach be adopted. A period of time for negotiation, subject to input from interested parties, is one approach. Another is to adopt a procedural schedule which gives all interested parties adequate time to fully comment upon and brief the issues in this case. Whatever approach is taken, the Authority must allow sufficient time for the parties to develop the facts and law of this case.

In sum, AT&T respectfully suggests that (1) the Motion for a Standstill Order be denied; (2) the parties be given an appropriate period of time to engage in settlement discussions; (3) any settlement resulting from those discussions be presented to the Authority for approval following review and comment by all segments of the industry; and (4) if settlement talks fail, the Hearing Officer adopt a procedural schedule which allows for adequate development of a complete record.

Respectfully submitted,

BOULT, CUMMINGS, CONNERS & BERRY, PLC

By:

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been forwarded via U.S. mail, postage prepaid, to the following on this the 25th day of April, 2003.

Russ Minton, Esquire Citizens Communications 3 High Ridge Park Stamford, CT 06905

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Stephen G. Kraskin, Esquire Kraskin Lesse & Cosson 2120 L Street NW, Suite 520 Washington, DC 20037

Henry Walker

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PETITION OF BELLSOUTH TELECOMMUNICATIONS.)	
INC. SEEKING RESOLUTION OF THIRD PARTY	CACENO
TRANSIT TRAFFIC ISSUES	CASE NO.
INVIANT TIMELIN 1990E2	2003-00045

ORDER

On April 22, 2003, BellSouth Telecommunications, Inc. ("BellSouth") and the Independent Telephone Group¹ ("ITG") filed a joint motion to stay these proceedings during the pendency of settlement negotiations. BellSouth and the ITG requested the stay because they believe that a settlement is possible in this proceeding. The duration of the stay is not to exceed 90 days. Thus, by July 21, 2003, BellSouth and the ITG agree to present their settlement agreement to the Commission for its approval and for comment by intervenors in this case. If no settlement is reached, then BellSouth and the ITG agree to advise the Commission.

In support of their motion, BellSouth and the ITG indicate that the termination of third party traffic is unique in Kentucky because it is based upon the Kentucky Restructured Settlement Plan approved by the Commission on June 23, 1991 in

¹ The Kentucky Rural Local Exchange Carriers are a group of small and rural local exchange carriers providing service throughout Kentucky. The group includes Ballard Rural Telephone Cooperative; Brandenburg Telephone Company; Coalfields Telephone Company; Duo County Telephone Cooperative; Foothills Rural Telephone Cooperative; Highland Telephone Cooperative; Logan Telephone Cooperative; Mountain Telephone Cooperative; North Central Telephone Cooperative; Peoples Rural Telephone Cooperative; South Central Rural Telephone Cooperative; Thacker-Grigsby Telephone Company; and West Kentucky Rural Telephone Cooperative.

Administrative Case No. 323.² That plan is a Commission approved contract between BellSouth and the ITG. As such, BellSouth and the ITG may move to stay these proceedings though there are intervenors with tangential interests.

The Commission, having considered the joint motion and being otherwise sufficiently advised, HEREBY ORDERS that:

- 1. The joint motion to stay the proceedings during the pendency of settlement negotiations is granted without prejudice to any motions pending before the Commission in this proceeding.
- 2. The March 19, 2003 Order scheduling a hearing and other procedural matters is vacated.

Done at Frankfort, Kentucky, this 23rd day of April, 2003.

By the Commission

ATTEST:

Executive Director

² Administrative Case No. 323, An Inquiry Into IntraLATA Toll Competition, An Appropriate Compensation Scheme For Completion of IntraLATA Calls By Interexchange Carriers, and WATS Jurisdictionality.